January 9, 1990

Mr. David Benjamin Office of the City Attorney City and County of San Francisco 1390 Market Street, Suite 250 San Francisco, CA 94102-5404

> Re: Your Request for Advice Our Advice No. A-89-686

Dear Mr. Benjamin:

This is in response to your letter requesting advice regarding the San Francisco County Transportation Authority and their responsibilities under the conflict-of-interest provisions of the Political Reform Act (the "Act").1/

QUESTION

Must the San Francisco County Transportation Authority (the "Authority") adopt a conflict of interest code for the members of the Authority?

CONCLUSION

Since, at present, the Authority is comprised solely of the members of the Board of Supervisors, it is not necessary that they be covered by a separate conflict of interest code. If circumstances change and if the Authority employs public members, staff members or consultants who make or participate in the making of governmental decisions, a code would need to be developed to cover the additional members or staff.

Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated. Commission regulations appear at 2 California Code of Regulations Section 18000 et seq. All references to regulations are to Title 2, Division 6 of the California Code of Regulations.

FACTS

The Authority was created by the adoption of Proposition "B" by the voters of San Francisco to establish a transactions and use tax to be used to improve, construct, maintain, and operate certain transportation projects and facilities. Typical projects would be the expansion of the historic streetcar service, conversion of trolley coaches from diesel to electrification, and expansion of existing ferry terminals.

The Authority is composed of the eleven members of the San Francisco Board of Supervisors. At present, there are no staff members, consultants or public members.

ANALYSIS

Section 87300 provides that every agency shall adopt and promulgate a conflict of interest code. Section 87302 provides that said code shall enumerate the positions within the agency, other than those specified in Section 87200, which involve the making or participation in the making of decisions which may foreseeably have a material effect on any financial interest.

As you are aware, Section 87200 sets out the positions which are directly covered by the Act. Board of supervisors are among those listed.

Since the Authority is comprised solely of members of the board of supervisors, there are no designated employees to be covered by a conflict of interest code. This would change should the Authority employ staff members or consultants²/ who make or participate in the making of decisions. Once this occurs, it would be necessary for the Authority to adopt a code to covers those positions.

A "consultant" is any natural person who provides, under contract, information, advice, recommendation or counsel to a state or local government agency.

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I hope this answers your question. If I can be of any further assistance, please feel free to call me at (916) 322-5901.

Sincerely,

Kathryn E. Donovan General Counsel

Jeanette E. Turvill Political Reform Consultant

Legal Division

KED/JET/jt



Louise H. Renne, City Attorney

December 4, 1989

Jeanette E. Turvill Political Reform Consultant Legal Division Fair Political Practices Commission P.O. Box 807 Sacramento, CA 95804-0807

> Re: Conflict of Interest Code:

San Francisco County Tranportation Authority

Dear Ms. Turvill:

This follows our telephone conversation on November 30, 1989.

I am writing to request your written opinion on whether the San Francisco County Tranportation Authority must adopt a conflict of interest code for the members of the Authority. Authority was created with the adoption of "Proposition B" by the voters of San Francisco (copy attached). Under the terms of the ordinance, the Authority is composed of the eleven members of the San Francisco Board of Supervisors.

You asked whether the Authority has any jurisdiction outside of the City and County of San Francisco. I have been informed that, under state law, the Authority may not expend money for transportation improvements outside the City and County. I encourage you to confirm this, however, along with any other substantive questions you may have, with Deputy City Attorney Angela Karikas. Ms. Karikas' number is 415/554-4315.

Thank you for your advice on this issue. If you need any additional information, please let me know.

Very truly yours,

LOUISE H. RENNE

DAVID BENJAMIN

Deputy City Attorney

Angela Karikas CC:

TEXT OF PROPOSED ORDINANCE PROPOSITION B

ORDERING SUBMISSION OF AN ORDI-NANCE BY THE BOARD OF SUPERVI-SORS CALLING AND PROVIDING FOR A SPECIAL ELECTION TO BE HELD ON NO-VEMBER 7, 1989 TO BE CONSOLIDATED WITH THE GENERAL ELECTION FOR THE PURPOSE OF SUBMITTING TO THE VOT-ERS AN ORDINANCE ADDING ARTICLE 14 TO PART III OF THE MUNICIPAL CODE OF THE CITY AND COUNTY OF SAN FRANCISCO PROVIDING FOR THE CRE-ATION OF THE SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY, FOR THE IMPOSITION OF A ONE-HALF OF ONE PERCENT TRANSACTIONS AND USE TAX AND FOR OTHER PURPOSES.

Be it ordained by the People of the City and County of San Francisco:

Section 1.

(a) A special election is hereby called and ordered to be held in the City and County of San Francisco on Tuesday, the 7th day of November, 1989 and is hereby consolidated with the General Election of the City and County of San Francisco to be held Tuesday, November 7, 1989 for the purpose of submitting the following proposition:

Shall an ordinance of the City and County of San Francisco be approved so as to: 1) create a San Francisco County Transportation Authority; 2) authorize the Authority to impose a transactions and use tax of one-half of one percent to aid mass transit and realize the other traffic and transportation projects/purposes set forth in the San Francisco County Transportation Expenditure Plan for a period of no more than twenty (20) years; 3) authorize the Authority to issue from time to time limited tax bonds in a total outstanding aggregate amount not to exceed \$742,000,000.00 and which is payable from the revenues generated hereunder; and 4) approve the California Constitution Article XIII B appropriations limit of \$160,000,000.00.

(b) The special election hereby called and ordered to be held shall be held and conducted and the votes thereat received and canvassed, and the returns thereof made and the results thereof ascertained, determined and declared as herein provided and in all particulars not herein recited said election shall be held according to the laws of the State of California and the Charter of the City and County of San Francisco providing for and governing elections in the City and County of San Francisco, and the polls for such election shall be and remain open during the time required by said laws.

(c) The said special election hereby called shall be and hereby is consolidated with the General Election of the City and County of San Francisco to be held Tuesday, November 7, 1989, and the voting precincts, polling places and officers of election for said General Elec-

tion be and the same are hereby adopted, established, designated and named, respectively, as the voting precincts, polling places and officers of election for such special election hereby called, and as specifically set forth, in the official publication, by the Registrar of Voters of precincts, polling places and election officers for the said General Election.

The ballots to be used at said special election shall be the ballots to be used at said General Election and reference is hereby made to the notice of election setting forth the voting precincts, polling places and officers of election by the Registrar of Voters for the General Election to be published in the San Francisco Examiner on or no later than October 31, 1989.

(d) On the ballots to be used at such special election and on the punch card ballots used at said special election, in addition to any other matter required by law to be printed increon, shall appear thereon the following, to be separately stated, and appear upon the ballot as a separate proposition:

"Shall an ordinance of the City and County of San Francisco be approved so as to: 1) create a San Francisco County Transportation Authority; 2) authorize the Authority to impose a transactions and use tax of one-half of one percent to aid mass transit and realize the other traffic and transportation projects/purposes set forth in the San Francisco County Transportation Expenditure Plan for a period of no more than twenty (20) years; 3) authorize the Authority to issue from time to time limited tax bonds in a total outstanding aggregate amount not to exceed \$742,000,000.00 and which is payable from the revenues generated hereunder; and 4) approve the California Constitution Article XIII B Appropriations Limit of \$160,000,000.00"

If and to the extent that punch card ballot cards are used at said special election, each voter to vote for any said proposition shall punch the ballot card in the hole after the word "YES" to the right of said proposition, and to vote against said proposition shall punch the ballot card in the hole after the word "NO" to the right of said proposition.

(e) This ordinance shall be published once a day for at least seven (7) days in the San Francisco Examiner, a newspaper published daily in the City and County of San Francisco, being the official newspaper of said city and county and such publication shall constitute notice of said election and no other notice of the election hereby called need be given. The Transportation Expenditure Plan referenced in Section 2 of this Ordinance shall be published once in the San Francisco Examiner within 30 days of submittal of this Ordinance to the electorate.

(f) The appropriate officers, employees, representatives and agents of the City and County of San Francisco are hereby authorized and

directed to do everything necessary or desirable to the calling and holding of said special election, and to otherwise carry out the provisions of this ordinance.

Section 2. At the special election called by Section 1 of this Ordinance, an ordinance amending Part III of the Municipal Code of the City and County of San Francisco by adding Article 14 (commencing with Section 1401) is hereby submitted to the electorate as follows:

SEC. 1401. TTTLE. This ordinance shall be known as the "San Francisco County Transportation Authority Ordinance" which establishes and implements a transactions and use tax.

SEC. 1402. DEFINITIONS. For purposes of this ordinance the following words shall have the meanings ascribed to them by this section.

"Authority" shall mean the San Francisco County Transportation Authority.

"District" shall mean the City and County of San Francisco.

"Plan" shall mean the Transportation Expenditure Plan approved by the Board of Supervisors of the City and County of San Francisco which is considered part of this Ordinance and hereby incorporated by reference as if fully set forth herein.

"Operative date" shall mean the first day of the first calendar quarter commencing more than 120 days after adoption of the ordinance, pursuant to Public Utilities Code Section 131105(a).

"Effective date" shall mean the date of adoption of this ordinance which shall take effect at the close of the polls on the day of election at which the proposition is adopted by majority vote of the electors voting on the measure, pursuant to Public Utilities Code Section 131102(c).

SEC. 1403. PURPOSE. Pursuant to Division 12.5 of the Public Utilities Code, the San Francisco Transportation Committee has recommended that the Board of Supervisors submit to the voters of the City and County of San Francisco for their approval an ordinance which would, if so approved, create the San Francisco County Transportation Authority, authorize the Authority to impose a one-half of one percent transactions and use tax for a period of twenty years to finance the transportation improvements set forth in the Transportation Expenditure Plan approved by the Board of Supervisors and to issue limited tax bonds in a total outstanding aggregate amount not to exceed \$742,000,000.00. Hence, this ordinance should be interpreted so as to achieve the purposes set forth herein:

(a) to establish a San Francisco County Transportation Authority.

(b) to impose a transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the California Revenue and Taxation Code and Sections 131100 et seq. of the California Public Utilities Code, which directs the County Board of Supervisors to adopt the tax ordinance

(Continued next page)

for voter approval, exercising the taxing power granted to the San Francisco County Transportation Authority in Public Utilities Code Section 131102 on behalf of said Authority;

(c) to incorporate provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

(d) to impose a transactions and use tax and provide a measure therefor that can be administered and collected by the State Board of Equalization in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the State Board of Equalization in administering and collecting the California State Sales and Use Tax;

(e) to authorize administration of a transactions and use tax in a manner that will, to the highest degree possible consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes and at the same time minimize the burden of recordkeeping upon persons subject to taxation under the provisions of this ordinance;

(f) to improve, construct, maintain, and operate certain transportation projects and facilities contained in the Transportation Expenditure Plan adopted by the Board of Supervisors of the City and County of San Francisco, which plan is incorporated here by this reference as though fully set forth herein, and as that Plan may be amended from time to time pursuant to applicable law.

(g) to set a maximum term of twenty (20) years during which time this tax shall be imposed pursuant to the authority granted by Section 131102(c) of the Public Utilities Code.

(h) to authorize the issuance from time to time of limited tax bonds not to exceed a total outstanding aggregate amount of \$742,000,000.00 to finance the projects specified in the Plan.

(i) to establish an expenditure limit for the Authority pursuant to California Constitution Article XIII B.

SEC. 1404, CREATION OF AUTHORITY. Upon voter approval of this Ordinance, the Authority shall be created and shall be composed of the eleven members of the San Francisco Board of Supervisors as specified in the Transportation Expenditure Plan. The Authority shall have all of the powers set forth in Division 12.5 (commencing with Section 131100) of the Public Utilities Code, all of the powers set forth in the Transportation Expenditure Plan, and all powers incidental or necessary to imposing and collecting the tax and administering the tax proceeds and the Plan. The Authority may allocate the tax proceeds to meet project cash flow needs consistent with all the provisions of the Plan. In the event a project is infeasible, the Authority shall reallocate the tax proceeds for that project to other projects in accordance with the provisions of the Plan.

SEC. 1405. CONTRACT WITH STATE.

Prior to the operative date, the Authority shall contract with the State Board of Equalization to perform all functions incident to the administration and operation of this transactions and use tax; provided that, if the Authority shall not have contracted with the State Board of Equalization prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

SEC. 1406. TRANSACTIONS TAX AND RATE OF ONE-HALF OF ONE PERCENT. For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in this District at the rate of one-half of one percent of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in this District on and after the operative date. This tax shall be imposed for a maximum period of twenty (20) years.

SEC. 1407. PLACE OF SALE. For the purposes of this ordinance, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an outof-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the state or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the State Board of Equalization.

SEC. 1408. USETAX AND RATE OF ONE-HALF OF ONE PERCENT. An excise tax is hereby imposed on the storage, use or other consumption in this District of tangible personal property purchases from any retailer on and after the operative date for storage, use or other consumption in this District at the rate of one-half of one percent of the sales price of the property. The sales price shall include delivery when such charges are subject to state sales or use tax regardless of the place to which delivery is made. This tax shall be imposed for a maximum period of twenty (20) years.

SEC. 1409. ADOPTION OF PROVISIONS OF STATE LAW. Except as otherwise provided in this ordinance and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 of Division 2 of the Revenue and Taxation Code (commencing with Section 6001) are hereby adopted and made a part of this ordinance as though fully set forth herein.

SEC. 1410. LIMITATIONS ON ADOP-TION OF PROVISIONS OF STATE LAW AND COLLECTION OF USE TAXES. In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, wherever the State of California is named or referred to as the taxing agency, the name of the Authority shall be substituted therefor. The substitution, however, shall not be made when the word "State" is used as part of the title of the State Controller, the State Treasurer, the State Board of Control, the State Board of Equalization, the State Treasury, or the Constitution of the State of California; the substitution would require action to be taken by or against the Authority or any agency, officer or employee thereof rather than by or against the State Board of Equalization, in performing the functions incident to the administration or operation of this ordinance; the substitution shall not be made in those sections, including, but not necessarily limited to, sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remains subject to tax by the state under the said provisions of that code; the substitution shall not be made in sections 6701, 6702, (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code. The name of the District shall be substituted for the word "state" in the phrase "retailer engaged in business in this state" in Section 6203 and in the definition of that phrase in Section 6203.

SEC. 1411. PERMIT NOT REQUIRED. If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this ordinance.

SEC. 1412. EXEMPTIONS, EXCLUSIONS AND CREDITS.

(a) There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

(b) There are exempted from the computation of the amount of transactions tax gross receipts when they are from:

1) Sales of tangible personal property to operators of aircraft to be used or consumed principally outside of the City and County of San Francisco and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this state, the United States, or any foreign government.

2) Sales of property to be used outside the District which is shipped to a point outside the District, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the District shall be satisfied:

i) with respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of

(Continued next page)

TEXT OF PROPOSITION B (Continued)

Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Chapter 2 of Division 3.5 (commencing with Section 9850) of the Vehicle Code by registration to an out-of-District address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his principal place of residence.

ii) with respect to commercial vehicles by registration to a place of business out-of-District, and a declaration under penalty of perjury, signed by the buyer, that the vehicle will be

operated from that address.

3) the sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

- 4) a lease of tangible personal property which is a continuing sale of such property for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this ordinance.
- 5) for the purposes of subsections (4) and (5), the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract upon notice, whether or not such right is exercised.
- (c) There is exempted from the use tax imposed by this ordinance the storage, use or other consumption in this District of tangible personal property:
- 1) the gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.
- 2) purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire of compensation under a certificate of public convenience and necessity issued pursuant to the laws of this state, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.
- 3) if the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.
- or the possession of, or the exercise of any right or power over, tangible personal property

under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this ordinance.

- 5) for the purposes of subsections (3) and (4), storage, use or other consumption, or possession, or exercise of any right to power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time during which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.
- 6) Except as provided in subparagraph (7), a retailer engaged in business in the District shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the District or participates within the District in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the canvasser, solicitor, subsidiary, or person in the District under the authority of the retailer.
- 7) "A retailer engaged in business in the District" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Chapter 2 of Division 3.5 (commencing with Section 9850) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the District.
- d) Any person subject to use tax under this ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district or retailer imposing a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property, the storage, use or other consumption of which is subject to the use tax.

SEC. 1413. AUTHORIZATION AND LIM-ITATION ON ISSUANCE OF BONDS. The Authority is hereby authorized to issue from time to time limited tax bonds pursuant to the provisions of California Public Utilities Code Sections 131109 et seq. in a total outstanding aggregate amount not to exceed \$742,000,000.00.

SEC. 1414. USE OF PROCEEDS. The pro-

ceeds of the taxes imposed by this ordinance shall be used solely for the projects and purposes set forth in the County Transportation Expenditure Plan and for the administration thereof. In accordance with the legislative intenf expressed in California Public Utilities Code Section 13110 such proceeds shall not replace funds previously provided by property tax rev enues for public transportation purposes. Each year the tax is in effect and prior to the allocation of funds by the authority, the Controller of the City and County of San Francisco shall certify to the authority that the funds will not be substituted for property tax funds which are current utilized to fund existing local transportation programs.

SEC. 1415. APPROPRIATIONS LIMIT, for purposes of Article XIIIB of the State Constitution, the appropriations limit for the Authority for fiscal year 1989-90 and each year thereafter shall be \$160,000,000.00 unless that amount should be amended pursuant to applicable law.

SEC. 1416. AMENDMENTS. All amenuments to Part 1 of Division 2 of the Revenue and Taxation Code made subsequent to the effective date of this ordinance which relate to sales and use taxes and which are not inconsistent with Part 1.6 of Division 2 of the Revenue and Taxation Code and all amendments to Part 1.6 of Division 2 of the Revenue and Taxation Code and all amendments to Part 1.6 of Division 2 of the Revenue and Taxation Code and all amendments to Part 1.6 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this ordinance; provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this ordinance.

SEC. 1417. PENALTIES. Any person violating any of the provisions of this ordinance shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punishable by a fin of not more than five hundred dollars (\$500,000 or by imprisonment for a period of not more than six months, or by both such fine and imprisonment.

SEC. 1418. SEVERABILITY. If any provision of this ordinance or the application there to any person or circumstance is held invalidate the remainder of the ordinance and the application of such provision to other persons or currents of the cumstances shall not be affected thereby.

APPROVED AS TO FORM

LOUISE H. RENNE Angela Karikas Deputy City Attorney

CITY AND COUNTY OF SAN FRANCISCO TRANSPORTATION EXPENDITURE PLAN

Adopted July 24, 1989
San Francisco Board of Supervisors
ELEMENTS OF THE PLAN

The Board of Supervisors recommends the following elements be included in a Transportation Expenditure Plan for the City and County of San Francisco.

A. GENERAL PROVISIONS

Sales Tax

A 1/2% sales tax dedicated to transportation improvements specified in this plan shall be imposed. The duration of the tax shall be 20 years.

Restriction of Funds

In accordance with enabling legislation and adopted principles, sales tax revenues generated pursuant to this plan shall be used to supplement and not replace existing local revenues used for transportation purposes. Moreover, sales tax revenues shall be spent on capital projects rather than to fund operations and maintenance of existing transportation services, unless otherwise specified in the Project List. Funds for operations and maintenance shall be limited to incremental costs associated with the implementation of new transportation services as specified in this plan. Incremental costs shall be defined as solely those costs that would clearly not have otherwise been incurred absent the new service.

Bonding Authority

The Board of Supervisors shall request the voters to authorize the issue of limited tax bonds, up to \$742 million, payable from the sales tax revenues generated pursuant to this plan.

Creation of a County Transportation Authority

The Board of Supervisors shall request the voters to authorize the creation of a County Transportation Authority for the purpose of administering the sales tax proceeds in accordance with the plan. The members of the Authority shall be members of the Board of Supervisors.

Support of Adjacent Counties

It is deemed unnecessary to seek the support of adjacent counties by requesting them to develop their own Transportation Expenditure Plans because:

- San Mateo and Alameda Counties have already adopted Transportation Expenditure Plans and
- Marin County is currently evaluating a Transportation Expenditure Plan.

Where there are intercounty implications associated with projects listed in this plan, the City and County of San Francisco shall work cooperatively with the affected county or counties. Should any projects require expenditure of funds outside the limits of the City and County of San Francisco, amendments to the state legislation may be required.

Transportation Efficiency/Productivity Standards and Objectives The Transportation Authority shall direct all city transportation agencies to:

- Develop 5-year program plans describing service and capital improvements annually. These plans should be coordinated between modes and agencies.
- Prepare long range (10-20 years) comprehensive transportation plans periodically.
- Develop productivity and cost effectiveness measurement methodologies and standards based upon accepted industry standards. Productivity and cost effectiveness goals should be established every 5 years during the term of the plan, and coordinated between city transportation agencies so that they are not working at cross purposes. A report shall be made to the Transportation Authority on progress towards meeting those goals on an annual basis.

The Transportation Authority should also develop a plan for encouraging transportation agencies to meet their goals, all in accordance with the provisions of this plan.

Environmental Review

Environmental reporting, review and approval procedures as provided for under the National Environmental Policy Act, and/or the California Environmental Quality Act, and other applicable laws will be carried out as a prerequisite to the implementation of any project.

B. PLAN SUMMARY

The following table summarizes the 1/2% sales tax revenue allocations by project category and subcategory in constant 1990 dollars.

SUMMARY OF SALES TAX ALLOCATIONS

SCHMART OF SALES TAX ALLOCATIONS	
Category	Allocation
TRANSIT	\$541,000,000 (60%)
Subcategory	
Service Enhancement & Extensions	141,000,000
Major Corridor Studies & Construction	200,000,000
Rehabilitation & Replacement Projects	200,000,000
STREETS & TRAFFIC SAFETY	\$271,000,000 (30%)
St. Resurfacing & Reconstruction	142,000,000
Traffic Signals & Signs	67,000,000
Major Capital Projects	50,000,000
Street Tree Program	12,000,000
PARATRANSIT	\$ 72,000,000 (8%)
Contract Van & Taxi Services	72,000,000
TRANSPORTATION SYSTEMS	,
MANAGEMENT (TSM)	\$ 18,000,000 (2%)
Ridesharing & Transit Preference	12,000,000
Bicycle & Pedestrian Circulation	6,000,000
TOTAL SALES TAX REVENUE	\$902,000,000 (100%)
C. PLAN DESCRIPTION	-

Priority Program

The principle focus of this plan is to define a program of prioritized projects and to insure that funding is allocated across major transportation categories, i.e. Transit, Streets and Traffic Safety, Paratransit, and Transportation Systems Management (TSM), and within subcategories. Subcategories consist of lists of projects exhibiting similar characteristics, e.g. transit service enhancements and extensions. A two-tier priority program has been developed in response to these objectives. Allocations of sales tax revenues are made to each of the major transportation categories and subcategories. Within each subcategory, individual projects have been given a priority rating of 1, 2, or 3 (1 being first priority).

The allocations between major categories are: Transit - 60%, Streets and Traffic Safety - 30%, Paratransit - 8%, and TSM - 2%. This reflects the city's transit first policy as well as providing funding for identified transportation needs within all major categories.

Within each program subcategory, the list of projects shall be funded using sales tax revenue up to the total amount for that subcategory and according to the priority assigned. Under current revenue projections not all projects listed could be funded. In the event that sales tax revenue for the subcategory runs out, lower priority projects within the subcategory will not be funded. In the event that a surplus results after funding all projects listed in a subcategory, the remaining revenue will be available for re-allocation to other subcategories. If the major transportation category is fully funded, then the money can be shifted to an alternative category.

In this manner, implementation of top priority projects is assured.

The County Transportation Authority shall periodically calculate actual sales tax revenue collections (in constant dollars) relative to the amount originally projected in the Transportation Expenditure Plan (see Technical Appendix for the City & County of San Francisco Transportation Expenditure Plan). Should actual collections exceed original projections, the surplus shall be allocated to the Transit, Streets and Traffic Safety, Paratransit, and TSM categories in the same proportions as originally outlined in the plan.

Project List

Each of the project descriptions includes the following information: description of the project, priority, restrictions on use of sales tax funds, cost of project, other funds available, shortfall to be funded by the sales tax, and the sponsoring agency. The cost of project identifies the cost to complete the project, excluding previously allocated funds.

Sales tax funds shall be used for capital improvements unless otherwise noted. The project descriptions specify which projects are eligible for incremental operations and maintenance funds.

(Continued on next page)

CITY AND COUNTY OF SAN FRANCISCO TRANSPORTATION EXPENDITURE PLAN (Continued)

TRANSIT PROJECTS

Service Enhancement and Extensions

Priority Project

1. 3°

f 1

MUNI Metro Turnback - Construction of a turnback for Metro trains beyond the Embarcadero Station to allow more frequent and reliable Market Street subway service without recurrent delays. Includes capital and incremental operations and maintenance costs. Cost: \$130.0 million. Shortfall to be funded by Sales Tax: \$20.5 million. Other Funds: \$109.5 million. Sponsor - MUNI.

MUNI Metro Extension - Extension of MUNI Metro from the Embarcadero Turnback to the Caltrain Terminal at 4th and Townsend Streets. Includes capital and incremental operations and maintenance costs. Cost: \$68.0 million. Shortfall to be funded by Sales Tax: \$48.0 million. Other Funds: \$20.0 million.

lion. Sponsor - MUNI.

Mission Bay Metro Extension - Extension of Metro service from 4th & Townsend to 16th & Owens to the new Metro East facility. Includes capital and incremental operations and maintenance costs. Cost: \$31.0 million. Shortfall to be funded by Sales Tax: \$13.0 million. Other Funds: \$18.0 million. Sponsor - MUNI.

1 F-Line Streetcar - Expansion of historic streetcar service along The Embarcadero Roadway to the heart of Fisherman's Wharf and along Upper Market Street to Castro. Includes capital and incremental operations and maintenance costs. Cost: \$65.0 million. Shortfall to be funded by Sales Tax: \$40.0 million. Other Funds: \$25.0 million. Sponsor - MUNI.

Metro Subway Signal System - Provide faster more frequent Metro subway service. Cost: \$23.0 million. Shortfall to be funded by Sales Tax: \$5.0 million. Other Funds: \$18.0 million.

Sponsor - MUNI.

Metro Accessibility Improvements - Improvements to the system safety for the disabled within the MUNI Metro subway. Cost: \$0.5 million. Shortfall to be funded by Sales Tax: \$0.1 million. Other Funds: \$0.4 million. Sponsor - MUNI.

1 Presidio Facilities Redevelopment - To accommodate MUNI's expanded articulated trolley fleet. Cost: \$32.0 million. Shortfall to be funded by Sales Tax: \$1.5 million. Other Funds:

\$30.5 million. Sponsor - MUNI.

1 Metro East LRV Facility - Development of a new storage and maintenance facility to accommodate an expanded LRV fleet. Includes capital and incremental operations and maintenance costs. Cost: \$83.0 million. Shortfall to be funded by Sales Tax: \$18.0 million. Other Funds: \$65.0 million. Sponsor - MUNI.

Geneva Modifications - Restoration and rehabilitation of Geneva facilities including conversion of overhead and fixed facilities to accommodate and better maintain PCC cars. Cost: \$4.0 million. Shortfall to be funded by Sales Tax: \$0.1 million.

Other Funds: \$3.9 million. Sponsor - MUNI.

2 Mission Bay Trolley Rerouting/Extensions - Rerouting and extensions of MUNI routes 22, 30 and 47 to improve service to Mission Bay/Potrero Hill. Includes capital and incremental operations and maintenance costs. Cost: \$18.0 million. Shortfall to be funded by Sales Tax: \$5.5 million. Other Funds: \$12.5 million. Sponsor - MUNI.

Trolley Coach Electrification - Conversion of MUNI 9, 42, and 71 routes from diesel to trolley coach operation. Cost: \$22.0 million. Shortfall to be funded by Sales Tax: \$1.0 million. Other

Funds: \$21.0 million. Sponsor - MUNI.

- Extension of MUNI Route 14 to Daly City BART Station Extension of existing trolley coach service from existing terminal at Mission Street/San Jose Avenue to Daly City BART station. Includes capital and incremental operations and maintenance costs. Cost: \$4.0 million. Shortfall to be funded by Sales Tax: \$2.0 million. Other Funds: \$2.0 million. Sponsor MUNI.
- 3 Ferry Terminal Expansion Expansion of existing ferry

terminal in order to accommodate additional ferry service. Cost: \$1.0 million. Shortfall to be funded by Sales Tax: \$0.1 million. Other Funds: \$0.9 million. Sponsor - Port.

Major Transit Corridors

Priority Project

- Major Transit Corridor Planning/Environmental FundPlanning and environmental studies to determine future local
 and regional transit service improvements from downtown San
 Francisco along the Third Street/Bayshore Corridor (Priority
 1), transit service improvements along the Geary Corridor
 between downtown and the Richmond District (Priority 1),
 transit service improvements along a North Beach Corridor
 between Market Street and the North Beach neighborhood
 (Priority 2), and transit service improvements on Van Ness
 Avenue (Priority 2). Cost: \$10.0 million. Shortfall to be funded
 by Sales Tax: \$10.0 million. Sponsor MUNI.
- 2,3 Major Transit Corridor Capital Construction Fund Construction fund for fixed guideway capital improvements in the Bayshore, Geary, (Priority 2) and North Beach (Priority 3) corridors. The type of transit improvements and the full cost of these projects will be determined during the Planning and Environmental Studies. The cost noted here would represent the city's contribution to construction. It is anticipated that additional federal, state, or local funds would be available. Cost: To exceed \$190.0 million. Total Cost to be determined. Amount to be funded by Sales Tax: \$190.0 million. Sponsor MUNI.

Rehabilitation and Replacement

Priority Project

- Vehicles Replacement of MUNI diesel buses, trolley coaches and light rail vehicles and reconstruction of historic streetcar and cable car fleets. Includes capital and incremental operations and maintenance costs. Cost: \$623.0 million. Shortfall to be funded by Sales Tax: \$146.0 million. Other Funds: \$477.0 million. Sponsor - MUNI.
- Guideways Upgrading and rehabilitation and replacement of rail and overhead trolley wire throughout the MUNI system. Cost: \$118.0 million. Shortfall to be funded by Sales Tax: \$3.0 million. Other Funds: \$115.0 million. Sponsor MUNI.
- Facilities Renovate and/or replace MUNI maintenance facilities including 1401 Bryant, Woods, and 24th & Utah. New maintenance equipment. Operator restrooms. New fareboxes. Elevator and escalator repair. Revenue center and equipment repair. MUNI Metro rail maintenance equipment. Miscellaneous maintenance and repair. Includes capital and incremental operations and maintenance costs. Cost: \$236.0 million. Shortfall to be funded by Sales Tax: \$62.0 million. Other Funds: \$174.0 million. Sponsor MUNI.
- 1 Graffiti Prevention Security improvements at MUNI facilities to prevent graffiti and expand vehicle cleaning facilities. This cost reflects only capital improvements for a graffiti prevention program. Cost: \$5.0 million. Shortfall to be funded

by Sales Tax: \$5.0 million. Sponsor - MUNI.

STREETS AND TRAFFIC SAFETY PROJECTS
Street Resurfacing and Reconstruction

Priority Project

1,2 Street Resurfacing - Repaving and reconstructing city streets to prevent the deterioration of the roadway system. The streets to be repaved are selected in accordance with the City's Pavement Management System which considers pavement condition, bus and trolley use, and automobile and truck traffic. In conjunction with street reconstruction projects, bus bulbs and/or transit safety islands shall be installed on transit preferential streets as deemed appropriate by the Department of City Planning, Department of Public Works, the Public Utilities Commission, the Board of Supervisors and any other department or commission which is required to approve the widening of streets and sidewalks. The top 44% of the streets identified

(Continued on next page)

CITY AND COUNTY OF SAN FRANCISCO TRANSPORTATION EXPENDITURE PLAN (Continued)

are Priority 1 projects and the remaining 56% are Priority 2 projects. Cost: \$340.0 million. Shortfall to be funded by Sales Tax: \$254.5 million. Other Funds: \$85.5 million. Sponsor - DPW.

Seismic Reinforcement - Earthquake reinforcement for bridges, ducts and walls throughout the city. Cost: \$2.0 million. Shortfall to be funded by Sales Tax: \$2.0 million. Sponsor - DPW.

Raliroad Track Removal/Repair - Removal of obsolete railroad tracks on city streets and repair of the pavement adjacent to active railroad tracks. Cost: \$6.0 million. Shortfall to be funded by Sales Tax: \$5.0 million. Other Funds: \$1.0 million. Sponsor - DPW.

Sidewalk Repair - Reconstruction of sidewalks in front of city maintained property and near city maintained street trees. Cost: \$7.5 million. Shortfall to be funded by Sales Tax: \$7.5 million.

Sponsor - DPW.

Street Repair and Cleaning Equipment - Purchase of street maintenance and cleaning equipment, such as asphalt pavers, dump trucks, sweepers, and front-end loaders for city crews. Cost: \$17.0 million. Shortfall to be funded by Sales Tax: \$17.0 million. Sponsor - DPW.

Traffic Signals and Street Signs

Priority Project

- 1,2 Signal Upgrading Replacement of worn out traffic signal equipment for which replacement parts are no longer available. New or substantially upgraded traffic signals located on Transit Preferential Streets shall have transit pre-emption capabilities. The top 42% of the signal upgrades proposed are Priority 1 projects and the remaining 58% are Priority 2 projects. Cost: \$119.0 million. Shortfall to be funded by Sales Tax: \$119.0 million. Sponsor DPW.
- Street Name Signs Placement of street name signs throughout the city. Many streets are inadequately identified which causes confusion for motorists and transit users. Cost: \$1.0 million. Shortfall to be funded by Sales Tax: \$1.0 million. Sponsor -DPW.
- Install Raised Reflective Lane Markings Installation of raised reflective pavement markers on city streets for better delineation of traffic lanes at night and during wet weather. Cost: \$2.0 million. Shortfall to be funded by Sales Tax: \$2.0 million. Sponsor - DPW.

New Traffic Signals - Installation of traffic signals at selected unsignalized intersections. The locations of intersections are determined by the Traffic Engineering Bureau's priority list. Includes capital and incremental maintenance costs. Cost: \$8.5 million. Shortfall to be funded by Sales Tax: \$8.5 million. Sponsor - DPW.

Traffic Control Systems - Minor additions and modifications to the city's traffic control systems including: special warning signs, pedestrian guidance systems, pavement bars and special test installations to improve traffic safety and efficiency. Cost: \$1.0 million. Shortfall to be funded by Sales Tax: \$1.0 million. Sponsor - DPW.

Traffic Engineering Equipment - Replacement of traffic engineering equipment such as line painting machines and traffic count devices. Cost: \$4.0 million. Shortfall to be funded

by Sales Tax: \$4.0 million. Sponsor - DPW.

Army Street Circle - Modification of southbound ramp connection from Highway 101 to eastbound Army Street to increase radius for large trucks. Cost: \$0.1 million. Shortfall to be funded by Sales Tax: \$0.1 million. Sponsor - DPW.

Potrero Avenue - Rechannelization and modification of traffic signals on Potrero Avenue between Division Street and Army Street to improve traffic and pedestrian safety and traffic efficiency. Cost: \$0.4 million. Shortfall to be funded by Sales Tax: \$0.4 million. Sponsor - DPW.

Major Capital Projects

Priority Project

Embarcadero Roadway - Creation of a waterfront boulevard along The Embarcadero and King Street from North Point Street in Fisherman's Wharf to 6th Street in Mission Bay. Includes capital and incremental operations and maintenance costs. Cost: \$101.0 million. Shortfall to be funded by Sales Tax: \$35.0 million. Other Funds: \$66.0 million. Sponsor - DPW.

1 19th and Holloway Safety Improvements - Safety improvements along 19th Avenue extending from Eucalyptus to Junipero Serra. This is intended to reduce conflicts between auto traffic and pedestrians boarding streetcars on the 19th Avenue median, particularly at San Francisco State (Holloway Street). Shortfall to be funded by Sales Tax expenditure limited to Planning & Engineering. Cost: \$30.0 million. Shortfall to be funded by Sales Tax: \$4.5 million. Other Funds: \$25.5 million. Sponsor - DPW/MUNI.

1 Candlestick Park Short-Range Traffic Improvements -Traffic signal improvements near Candlestick Park to improve traffic flow and reduce impacts of Candlestick Park traffic on nearby neighborhoods. Cost: \$1.0 million. Shortfall to be funded by Sales Tax: \$1.0 million. Sponsor - DPW.

Bernal Heights Street System Upgrading - Construction of streets in Bernal Heights where existing streets are unimproved or below city standards to ensure adequate emergency vehicle response times for the community. Cost: \$6.0 million. Shortfall to be funded by Sales Tax: \$6.0 million. Sponsor - DPW.

Hunters Point Industrial Connector - Industrial by-pass route east of Third Street between Innes and Carroll Avenues by way of the Hunters Point Naval Shippard to divert truck traffic off residential streets. Sales tax expenditure limited to Planning & Environmental studies. Cost: \$3.0 million. Shortfall to be funded by Sales Tax: \$0.3 million. Other Funds: \$2.7 million. Sponsor - DPW.

2 Undergrounding Crossover Drive through Golden Gate Park - Explore the undergrounding of Crossover Drive between Lincoln Way and Fulton Street in Golden Gate Park. Sales tax expenditure limited to Planning & Environmental studies. Cost: \$100.0 million. Shortfall to be funded by Sales Tax: \$2.0 million. Other Funds: \$98.0 million. Sponsor - DPW.

Third Street Median Islands - Construction of landscaped median islands with left turn lanes along Third Street between China Basin and Jamestown Ave. to improve traffic safety and reduce congestion in this main transportation corridor. Cost: \$7.0 million. Shortfall to be funded by Sales Tax: \$7.0 million. Sponsor - DPW.

Street Trees

Priority Project

- 1,2 Planting and Maintenance of Existing Street Trees Improved maintenance of existing trees in public rights-of-way. First \$6.0 million is Priority 1 and the remaining is Priority 2. Cost: \$8.5 million. Shortfall to be funded by Sales Tax: \$8.5 million. Sponsor DPW.
- 1,2 Planting and Maintenance of Additional Trees Planting additional street trees on major thoroughfares throughout the city. Includes capital and incremental operations and maintenance costs. First \$5.5 million is Priority 1 and the remaining is Priority 2. Cost: \$7.5 million. Shortfall to be funded by Sales Tax: \$7.5 million. Sponsor DPW.

PARATRANSIT SERVICES

Expansion of Paratransit Door-to-Door Van and Taxi Service Levels Priority Project

1,2 Additional Service to Address Current and Projected Walting List Growth and Provide Services to Persons with AIDS and Frail Elders - Increased funding for van and taxi services to expand services to meet current and projected waiting list growth for taxi, group van, and lift van services for persons with

CITY AND COUNTY OF SAN FRANCISCO TRANSPORTATION EXPENDITURE PLAN (Continued)

disabilities, including frail seniors. Also additional services for persons with AIDS and for clients of the expanding Adult Day Health Care system. The first \$72.0 million is Priority 1 and the remaining \$3.0 million is Priority 2. Sales tax funding for service operation. Cost: \$147.0 million. Shortfall to be funded by Sales Tax: \$75.0 million. Other Funds: \$72.0 million. Sponsor - MUNI.

TRANSPORTATION SYSTEMS MANAGEMENT PROJECTS Ridesharing and Transit Promotion Priority Project

1,2

Transit Preferential Streets - Includes designation of streets and lanes for exclusive transit use; sidewalk widenings at bus stops; traffic signal modifications to improve transit flow; reduction and relocation of bus stops; possible removal of unnecessary stop signs along transit and bicycle routes; and modifications to the on-street truck loading and parking zones downtown. The first \$3.0 million is Priority 1 and the remaining \$0.5 million is Priority 2. Includes capital and incremental operations and maintenance costs. Cost: \$4.0 million. Shortfall to be funded by Sales Tax: \$3.5 million. Other Funds: \$0.5 million. Sponsor - DCP/DPW/MUNI.

1 Sterling Street HOV Lanes on Eastbound Approach to Bay Bridge - Extend the existing lane for High Occupancy Vehicles on Second or Bryant Streets to provide travel time savings for carpools and vanpools on the eastbound approach to the Bay Bridge. Cost: \$0.5 million. Includes capital and incremental operations and maintenance costs. Shortfall to be funded by Sales Tax: \$0.4 million. Other Funds: \$0.1 million. Sponsor -

DPW.

- 1 Transportation Brokerage Program - Increase staff monitoring of the Brokerage Program which requires developers and institutions to distribute ridesharing materials and transit information to employees at new office buildings or established institutions. Cost: \$4.0 million. Includes operations and maintenance costs. Shortfall to be funded by Sales Tax: \$3.5 million. Other Funds: \$.5 million. Sponsor - DCP.

1,2 Transportation Management Association Program - This program would assist in coordinating transit and ridesharing marketing activities for the entire downtown. The program would include an educational element, transit pass sales and carpool matching, possibly using a downtown "store" similar to Berkeley Trip. The program might ultimately be expanded to serve institutions as well. The first \$4.5 million is Priority 1 and the remaining \$0.5 million is Priority 2. Includes operations and maintenance costs. Cost: \$5.0 million. Shortfall to be funded by Sales Tax: \$5.0 million. Sponsor - DCP.

Bicycle and Pedestrian Priority Project

1,2

- Bicycie, Pedestrian, and Elderly & Handicapped Accessibility Projects - San Francisco portion of regional hiking and bicycle trails around the bay and between ridge top parks; various bicycle projects such as additional bicycle lanes, improved signage, additional bicycle racks and other facilities and educational and safety programs; and provision of drop curbs at intersections to permit ease of movement for the mobility impaired. The first \$4.0 million is Priority 1 and the remaining is Priority 2. Includes capital and incremental operations and maintenance costs. Cost: \$6.0 million. Shortfall to be funded by Sales Tax: \$4.5 million. Other Funds: \$1.5 million. Sponsor - DPW.
- 1,2 Downtown Pedestrian Projects - Improvement of existing alleyways as pedestrian/open space areas for pedestrian convenience and aesthetic enjoyment and architectural treatments for the improvement of the pedestrian environment on designated sidewalks such as Second Street, Montgomery Street and Union Square area streets. The first \$2.0 million is Priority 1 and the remaining is Priority 2. Includes capital and incremental operations and maintenance costs. Cost: \$3.0 million. Shortfall to be funded by Sales Tax: \$3.0 million. Sponsor - DCP/DPW.
- Pedestrian Connections and Transit Access Provision of grade-separated pedestrian crossings at high volume pedestrian locations and to provide access to major transit facilities. For example, Kezar Stadium to Golden Gate Park or from the proposed new main library to the Civic Center Metro/BART station. Cost: \$5.0 million. Shortfall to be funded by Sales Tax: \$5.0 million. Sponsor - DCP/DPW.

December 6, 1989

David Benjamin
Deputy City Attorney
Fox Plaza
1390 Market Street, Suite 250
San Francisco, CA 94102-5404

Re: Letter No. 89-686

Dear Mr. Benjamin:

Your letter requesting advice under the Political Reform Act was received on December 5, 1989 by the Fair Political Practices Commission. If you have any questions about your advice request, you may contact Jeanette Turvill, in the Legal Division, directly at (916) 322-5901.

We try to answer all advice requests promptly. Therefore, unless your request poses particularly complex legal questions, or more information is needed, you should expect a response within 21 working days if your request seeks formal written advice. If more information is needed, we will contact you shortly to advise you as to the information needed. If your request is for informal assistance, we will answer it as quickly as we can. (See Commission Regulation 18329 (2 Cal. Code of Regs. Sec. 18329).)

You also should be aware that your letter and our response are public records which may be disclosed to the public upon receipt of a proper request for disclosure.

Very truly yours,

Kathryn E. Donovan General Counsel

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KED:plh